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THESIS

THE REINVENTION OF THE
MILITARY SEALIFT COMMAND:
THE CIVILIAN MARINER PERSPECTIVE

by

Alice E. Bellafiore

March, 1996

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- The need for change;
- The process by which the change is being implemented; and
- Reinvention actions.

The findings were then interpreted using the appropriate change management theory, and resulted in the following conclusions:
- CIVMARS perceive the amount and types of communication and communication processes to be inadequate, and
- CIVMARS feel undervalued and excluded from MSC in general and the reinvention effort in particular.

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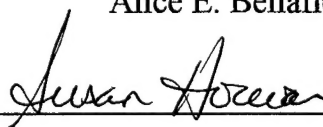
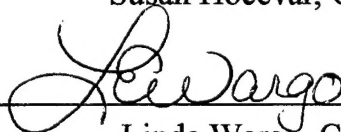from the

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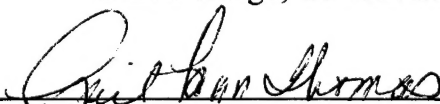
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ABSTRACT

The purpose of this thesis is to discuss the Military Sealift Command's (MSC) reinvention from the perspective of its pool of civilian mariners (CIVMARS). It will report on and analyze data representing the CIVMAR perspective on the reinvention of MSC. The data addressed three main issues:

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- CIVMARS perceive the amount and types of communication and communication processes to be inadequate, and

- CIVMARS feel undervalued and excluded from MSC in general and the reinvention effort in particular.

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I. INTRODUCTION

The Military Sealift Command (MSC) is a multi-billion dollar Department of Defense (DoD) organization that is tasked to provide sea transportation of equipment, supplies, and ammunition to sustain U.S. forces worldwide during peacetime and in war. For more than a year, MSC has been involved in a major reinvention effort to increase the organization's ability to meet the dynamic challenges of today's sociopolitical world. The main thrust of their effort is a dramatic restructuring of the organization to correct operational deficiencies and to prepare for environmental changes.

MSC's Reengineering video of February 1995 outlined the many compelling external and internal forces driving this process. As discussed in the MSC Re-engineering Video, changing mission and business lines, a less than sterling reputation for service within the DoD (exacerbated by recent operations in Desert Shield/Storm), and the current government emphasis on right sizing and efficiency are three external forces driving this radical change effort (MSC Video, 1995). Internal forces include lack of accountability for program lines, lack of performance measures, lack of long term strategies, personnel management disparities (a focus of this thesis), poor contracting policies, and technological impediments.

The need for this dramatic restructuring is being spearheaded under the leadership of the current commander, Vice Admiral Quast. His vision is to make MSC a responsive and viable organization by enhancing communication within the organization, improving customer/supplier relationships, and clarifying lines of accountability. His plan is to instill the organization with a strong sense of customer

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determination, empower individuals, capitalize on core competencies, and restructure around a Program Management framework.(MSC Video, 1995)

One of the most important areas to consider when creating radical change is its effect on people. The command currently has four area commands, and three sub-area commands. These are supported by detachments at over 17 sites worldwide. MSC's workforce is a very diverse group consisting of military personnel, civilians, and contractors. The shore-side staff consists of approximately 280 military personnel and 1,600 government service civilians. The largest component of MSC's workforce, which numbers roughly 6,000 people strong, is the government-service/union civilian mariners (CIVMARS), who operate the 125 plus ships with which MSC performs its operations. An additional group of approximately 2,000 contractor CIVMARS are employed by MSC's contractors and serve regularly on its ships.

The CIVMARS' concerns must be addressed because of their key operational role in ensuring MSC accomplishes its missions. Good change management and basic human resource management tenets demand the CIVMAR's inputs be heard by senior management as it endeavors to reinvent MSC to meet its current challenges.

Based upon studies accomplished by MSC focus groups and action teams, there is a perception by CIVMARS that they are not adequately represented or considered in major organizational decisions and changes. Since they are such an integral part of MSC's ability to perform its missions, it is essential that their inputs are heard. To this end, this thesis will collect, correlate and analyze the civilian mariners' (CIVMAR's) inputs on the reinventing of MSC. It will also identify

existing, resultant, and potential future problem areas for further research and consideration.

A. OBJECTIVE AND RESEARCH QUESTIONS

The main thrust of this thesis is to examine the perceptions of MSC's civilian mariners regarding MSC's reinvention. It examines qualitative data provided by individual civilian mariners and non-CIVMAR personnel with respect to MSC's reinvention effort. The inputs were provided via "cc mail" in response to the Commander, MSC's request via an April 1994, "All Organizational Call" and through MSC's "Reinvention Mailbox". This mailbox was set up to allow all members of MSC to provide ongoing comments, concerns, and suggestions regarding reinvention.

The primary research question is:

> What are the main concerns of the CIVMARS with respect to the reengineering of MSC?

Subsidiary questions are as follows:

1. How does the CIVMAR perceive the concept and need for reinventing MSC?

2. How is the plan by which the process of reinvention will be implemented perceived by the CIVMAR?

3. What specific outcomes in the areas of personnel management and administration does the CIVMAR desire?

The focus of this thesis is on the reinvention as it directly impacts the CIVMAR him/herself, and encompasses three phases of reinvention: conception, plan/process for inception and implementation. What do CIVMARS think of the concept and need for change/reinvention? Do they believe it will actually occur? If they believe it will in fact happen, how do they feel about the plan or process by

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which it will be accomplished or is being implemented? Lastly, what human resource issues do they want to see addressed during the actual reinvention?

B.   ORGANIZATION OF THE THESIS

This thesis is divided into seven chapters. Chapter II, provides a brief background of MSC, its organization, and an overview of recent changes in the organization. Chapter III is a review of the literature pertinent to this study, including organizational change, merger and consolidation, and human resource management models. Chapter IV describes the qualitative methods used to identify themes and sort the electronic mail data. Chapter V summarizes and reports the results. Chapter VI analyzes the data collected. Conclusions and recommendations are delineated in Chapter VII.

II. BACKGROUND

This chapter introduces the Military Sealift Command (MSC) organization, and describes its progress toward reinvention, particularly focusing on those actions directly affecting its civilian mariners and their concerns about the reinvention.

A. THE MSC BASIC BACKGROUND

1. Mission Statement

MSC's primary mission is to: "To provide sealift for strategic mobility in support of national security objectives" (MSC NAVEDTRA, 1991, p.3-1). As such, it requires the capacity to deploy and sustain military forces wherever and whenever needed as rapidly and for as long as operational requirements dictate. The three operational strategies that MSC employs to meet evolving priorities and maintain flexibility are prepositioning, surge, and sustainment sealift. In order to accomplish this mission, MSC operates approximately 125 ships in three distinct forces. These forces are the Strategic Sealift Force (SSF), the Naval Fleet Auxiliary Force (NFAF), and the Special Mission Force (SMF).

The SSF deploys and maintains U.S. military forces through the delivery of equipment and other supplies. The NFAF provides direct support, such as underway replenishment of fuel, spare parts, and food, as well as salvage and tow services to U.S. Navy ships. The SMF carries out highly specialized missions for the Navy and other government agencies.

2. MSC's Workforce

The MSC organization employs over 8,000 people worldwide to meet its evolving priorities. The shore-side staff of MSC worldwide consists of approximately 280 military personnel and 1,600 government service civilians. The largest component of MSC's workforce, which numbers roughly 6,000 people strong, is the government-service/union civilian mariners (CIVMARS), who operate the 125 plus ships with which MSC performs its operations. An additional group of approximately 2,000 contractor CIVMARS are employed by MSC's contractors who serve regularly on its ships, however this thesis will focus solely on MSC government service/union CIVMARS.

3. Establishment of MSC

Established in 1949, MSC was designed to be the single managing agency for the Department of Defense ocean transportation. In 1987 it became one of three component commands under the newly established U.S. Transportation Command (USTRANSCOM). TRANSCOM consists of a triad of three military transportation commands, Air Mobility Command (AMC), the Military Traffic Command (MTMC), and MSC.

4. Organizational Structure

MSC is headquartered in Washington, D.C., and has area commands in London; Yokohama, Japan; Bayonne, N.J.; and Oakland, Calif. There three sub-area commands which are located in Norfolk, Va.; Naples, Italy; and Guam. These are further served by 17 sites worldwide.

For the most part, MSC's 125 ships are manned by its seagoing civilian mariners. The Manpower and Personnel Directorate (N1) department at MSC headquarters (COMSC) has overall authority over its civilian mariners. It is tasked with assuring the efficient and effective utilization of MSC's personnel resources through the development and administration of policies and programs. In addition, two area commands, MSCLANT and MSCPAC have individual N1 departments that have the operational authority to manage their assigned CIVMARS in order to meet their mission requirements. In short, COMSC N1 determines "what is to happen" and the basic guidelines, while the area command N1s "make it happen" subject to these constraints.

MSC's area command structure has resulted in very diverse and unique characteristics and cultures at the various commands. Although all of MSC is significantly impacted by the reinvention, this thesis will focus on the PAC and LANT area commands. This is because the consolidation of Afloat Personnel Management (only one part of the reinvention efforts) most significantly impacts PAC and LANT and because they have operational responsibility for their assigned CIVMARS.

MSC'S two largest area commands, PAC and LANT, have very definite differences in administrative, personnel, and operational policies. These operational differences, as well as differences in geography, have led to the perception of a dual "pool" of mariners, each with its own unique characteristics. For example, the PAC fleet is forward deployed, covers farther distances, has longer deployments, higher wages, and a broader variety of homeports. It also has a higher attrition rate and

lower manning rate than its counterpart, the LANT pool. The LANT pool offers its mariners shorter deployments and more centralized home ports (most CIVMARS are homeported in the Norfolk area). Although LANT CIVMAR wages are lower, this pool is fully manned. To further complicate matters, each pool has its own labor unions and bargaining units; this explains the compensation differentials, both financial and leave accrual. Thus, because of area unique operational and geographic requirements coupled with negotiated union agreements, the actual administrative, compensatory, and working policies and procedures are very different between the PAC and LANT CIVMAR pools. These differences in turn attract different types of personnel.

B.   THE REINVENTION PROCESS

1.   History

Today's Reinvention efforts were started by Admiral Kalleres, then Commander of MSC, in August 1993. He tasked Area Commanders to develop recommendations to reduce, consolidate, eliminate and realign the MSC infrastructure. A Quality Management Board (QMB) was established in November of 1993 to review the MSC infrastructure. The QMB was chaired by RADM Mathis and included Area Commanders, Field Offices and Headquarters representatives. It consisted of a working group of senior people from all parts of MSC and met from 3-5 January 1994 at Dam Neck, Virginia. Their findings, published in the Infrastructure Working Group (IWG) Report (1994) and listed below, were to be used to begin the "Re-invention of MSC".

Desirable Characteristics Identified by the QMB

1. The infrastrucuture must take advantage of state of the art technologies;
2. Minimal duplication of function; consolidation wherever possible;
3. Be organized along appropriate mission areas;
4. Be responsive to both Navy unique and transportation missions globally;
5. Be geographically co-located with its principal customers;
6. Reduce organizational layers, empower people at the lowest levels. (p. 3)

The area commanders meeting's purpose was to further define the recommendations and set goals and direction for a follow-on working group which would plan the implementation of the recommendations. The follow-on working group was directed to complete a detailed analysis of MSC's infrastructure leading to specific recommendations. A secondary formal working group of senior MSC personnel (called the Infrastructure Working Group) was then convened at Dam Neck from 10-28 January 1994. This group worked intensively for over two weeks to identify a broad range of areas for improvement as well as specific recommendations. While the recommendations of the IWG were comprehensive, for purposes of this study, only those relevant to CIVMARS are noted. These are detailed in Tab 34 of the IWG report and focus on the centralization of personnel management, administration and training of MSC's CIVMARS. The group proposed consolidation of personnel support for CIVMARS in one office with small satellite offices on both coasts to provide basic personnel services, including detailing of mariners, filing of travel claims, updating of personnel records.

In December 1994, a MSC Commanders Conference was held at the Washington Navy Yard chaired by the current Commander of MSC, Vice Admiral (VADM) Quast to further discuss the identified issues and put into action the reinvention process. To this end, MSC entered into a partnership with the Naval Postgraduate School (NPS) in February of 1995 for expertise and assistance in designing a future state and implementation plan. This partnership generated a vision for a "reinvented" MSC.

2.   A Vision For MSC

The vision for the "reinvented" MSC was clearly outlined during the first Reinvention meeting held at Naval Postgraduate School (NPS) during February 1995. The vision resulting from those deliberations was to:

- Provide uniformly high customer satisfaction
- Provide clear communication channels for customers and stakeholders
- Clarify lines of authority, responsibility, and accountability
- Provide uniformly high flexibility and responsiveness
- Streamline the organization and eliminate duplication
- Be proactive
- Take care of MSC's people (Reinvention MSC Draft, 1995, p. 3)

In order to achieve the new vision of MSC, several major organizational modifications and changes were identified in the February 9, 1995 planning meeting:

1.   Restructure the organization to:
    - Facilitate customer focus and feedback
    - Employ Program Management along business lines
    - Capitalize on our core competencies

2. Develop and empower an organization, encompassing portions of HQ and field representation that plans for, receives, and executes customer requirements.

3. Vest accountability, responsibility and authority in:

    - HQ and field representatives for customer interface and execution

    - Program managers for business lines/services

    - Functional directors for providing core competencies to the MSC Commander and program managers. (MSC Meeting, 1995, p. 2/9)

As part of its planned reinvention, MSC plans to consolidate the management of CIVMARS into a single Afloat Personnel Management Center (APM). This effort is intended to streamline and eliminate the duplication of having two separate area commands performing many of same functions albeit with somewhat divergent CIVMAR personnel management policies. Relevant questions that may be addressed by the data analyzed in this thesis are: What are the implications of this plan from the perspective of the civilian mariners?; and What are their concerns regarding union negotiated issues such as: detailing, compensation, leave accrual procedures, reporting practices? These questions will be examined in the results and analysis chapters.

3.   The Reinvention Process

VADM Quast established his commitment to a formal effort to "reinvent" MSC. His leadership and drive were and are critical for the dramatic restructuring of MSC to streamline the organization and its operations and ensure effective and efficient accomplishment of its mission. The major thrusts of this effort have been:

1. Reorganizing around a program management structure;

2. Creating a single integrated Afloat Personnel Management (APM) center for the CIVMARS;

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3.   Changing the culture and value systems of MSC. (Reinvention Notes, 1995, p. 6)

A series of more than six senior level re-invention meetings were held to discuss the feasibility, implications and desired future state of the MSC organization. These meetings were held to develop a more detailed plan for changes needed to achieve the vision developed by the NPS meetings. This group, the Reinvention Management Team (RMT), was composed of key functional directors, two area commanders, two CIVMAR representatives (LANT and PAC port captains), an operations manager, and the Commander's Initiative Team. Later in the planning stages, working groups were established to broaden the participation from Area Commands and Headquarters. Over 100 people were involved in these working groups which corresponded to each of the six planned program lines, as well as one for functional directorates, one for Afloat Personnel Management, and one for Reinvention Implementation. The initial and current APM working group consists of nine members, three of whom are CIVMARS. This group is expected to greatly expand with more direct CIVMAR representation as well as labor representatives and headquarters personnel as the implementation phase begins.

C   SUMMARY/CONCLUSION

The need for organizations to be flexible and adaptable in today's world in order to survive is a reality. MSC is no exception. In order to survive it must be competitive. It plans to do this through a reinvention process that: concentrates on its core business lines, eliminates redundancy and waste, meets their customers needs, and develops increased flexibility and willingness to change. For the most part, the

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people of MSC think reinvention or change is needed to meet current and future requirements. However, these same people often react personally and professionally to any change and want to know how they will be affected. These reinvention initiatives will have and are having a major impact on the working lives of MSC's CIVMARS. This thesis reviews data on CIVMAR issues relevant to the reinvention process.

III. LITERATURE REVIEW

As stated previously, MSC identified that it needed to "reinvent" or restructure its organization to better serve its customers. This thesis will focus on the planned changes from the perspective of the organization's front line employees - its CIVMARS. The three main themes will be: 1) the perception for the need and/or agreement with the planned change; 2)the process by which the change is being implemented; and 3) specific issues or concerns the CIVMARS have in relation to the planned change.

A brief description of various theoretical models provides a context for examining the primary changes that have been planned and are being implemented at MSC. Three management theory themes will be used to review and analyze the inputs of the CIVMARS. First, change management theory was chosen to examine MSC's change plan and implementation process. Secondly, key concepts from the literature on organizational mergers will be used to address the proposed consolidation of Afloat Personnel Management offices and mariner pools. Lastly, basic human resource management theory will attempt to bring to light the importance of addressing the personnel issues of the CIVMARS.

A. CHANGE MANAGEMENT

1. Three Change Roles

In their book Kanter, Stein, and Jick (1992) identify three distinct groups of people, called change makers, who are necessary to design and achieve organizational change. These are change strategists, implementors, and recipients. Change

Strategists are responsible for identifying the need for change and creating a vision of the desired outcome. This was done by Admiral Quast, MSC senior level management, and various working groups as outlined in Chapter II. Change Implementors "make it happen", managing the day-to-day process of change; this is being done by MSC's senior and middle management with the direction and guidance of the various working groups. Change recipients represent the largest group of people that must adopt, and adapt to, changes brought about by reinvention.

MSC's government employed civilian mariners represent the most significant number of change recipients in this case. Thus, their response and reaction to change can fundamentally make, break, or reshape the organization's change efforts. They will have a major impact on the success of the change. For this reason it is critical that they agree with the concept of change, "buy into" and are committed to the planned change.

Obviously, total agreement on issues is impossible, but organizational literature, without exception, stresses the importance of buy-in, commitment, and involvement of all levels of an organization as necessary to achieve successful change. Recipients often appear as the primary sources of resistance to change. This is largely due to their feelings of exclusion from the conception, planning, and implementation of change.

2. Sources of Resistance to Change

Hammer and Stanton (1995) stress the importance of considering the personal concerns of the people who actually do the work. The first question people invariably ask when told that change is going to happen, is, "How will it affect me?" or "What's

in it for me?" The authors also conclude that any successful change effort must take into account the needs and concerns of the individuals it will affect. It must offer some benefit to the people who are being asked to change as well as provide some explanation of why things are being changed.

In many cases, the front line employees or change recipients, are often not adequately represented in the initial discussions for possible change. Or they may be and often are too distant from the arena in which change planning occurs (i.e., Headquarters). This may be due to organizational structure or job requirements. In MSC's case, the job requirements and geographic dispersion of the CIVMARs make it very difficult to include them in a consistent and reliable way. Lack of inclusion can lead to lack of commitment to and/or resistance to change.

Still, what is vital to a successful change effort is understanding how recipients *perceive* and *experience* the change and then acting to minimize negative perceptions. This point of view is all too often underplayed by leaders, managers, and experts alike. Change strategists and implementors often attempt to compensate for this omission after the plan has been drafted. Although reasons for this lack of inclusion are often understandable, efforts should be made to include change recipients in all aspects of the change process.(Kanter et al, 1992)

Resistance to change is not an inevitable by-product of change, nor is it purely emotional. Recipients resist change for predictable and logical reasons, including:

- Potential loss of power or control;
- Competency concerns regarding new skill or procedural requirements;
- Loss of established social networks;

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- Additional required effort and flexibility. Change requires more energy, time, meetings, effort, etc);

- Past resentments (legacy or distrust based on unkept promises or unaddressed grievances makes it hard to be positive about the change effort);

- Real threats (the change brings genuine pain or loss, to the change recipients). (Kanter et al, 1992, p. 380)

3.   Executing Change

Now that we have met the change makers - all three action roles - we must examine the "script" or "plan of action" by which they plan to implement change. A review of corporate experiences and expert opinions on implementing organizational change led to a prolific collection of steps, models and formulas. Yet, it is impossible to define one universal prescription for success because every change management story is unique. However, the "Ten Commandments for Executing Change," assimilated by Kanter, Stein, and Jick (1992) from many sources, incorporate a very broad spectrum of change management tenets.

<div align="center">The Ten Commandments</div>

1.   Analyze the organization and its need for change.
2.   Create a shared vision and common direction.
3.   Separate from the past.
4.   Create a sense of urgency.
5.   Support a strong leader role.
6.   Line up political sponsorship.
7.   Craft an implementation plan.
8.   Develop an enabling structure.
9.   Communicate, involve people, and be honest.
10.   Reinforce and institutionalize the change. (Kanter et al, 1992, p.383)

These ten commandments will be used as the primary theoretical model for discussing change theory. To start the change process, an organization must look at its readiness to change. This is Kanter, Stein, and Jick's first commandment, *"Analyze the organization and its need for change"*. Upper level management must be clear on what needs to be changed, why it needs to be changed, how it should be changed, who wants it to be changed, and the immediate and ripple effect of the desired changes. It is important that the change strategists understand the organization's operations, how it functions in its environment, what its strengths and weaknesses are, and how it will be affected by proposed changes in order to craft an effective implementation plan.

Second, *"Create a shared vision and common direction."* This is a critical area and one of the hardest to achieve. In order to achieve this, elaborate efforts must be made to gather and distribute information to ensure all stakeholders in the organization understand why the change is required, what will be changed, how it will be implemented and achieved, and what the personnel and organizational effects of change will be. The ideal vision should not be a mission statement or philosophy; it should attempt to articulate what a desired future for the organization would be.

Number three: *Separate from the past.* Kanter et al,(1992), describe the necessity of "disengaging from the past - or pattern breaking as critical to the `unfreezing' process which is important in preparing an organization for change." (p. 385) It is difficult for an organization to embrace a new vision of the future until it has identified the structures and processes that no longer work and has committed

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itself to move beyond them. The organization must be ready, willing, and able to make the break from the past if a change is to be successful.

Along with this willingness to change, a *sense of urgency* must be created, to ensure the momentum and continuity of the change efforts. Thus, commandment four requires convincing an organization that change is necessary. This isn't difficult when a company is on the verge of bankruptcy or floundering in the marketplace. However, when the need for action is not obvious or generally understood, the change leader should generate a sense of urgency without appearing to be fabricating an emergency, or "crying wolf." This sense of urgency is critical to rallying an organization behind change.

The fifth commandment, *supporting a strong leadership role*, is also crucial for a successful change to occur. An organization should not undertake something as challenging as large-scale change without a leader to guide, drive, and inspire it. The change strategist or advocates play a critical role in creating the future vision, motivating the employees to embrace that vision, and crafting an organizational structure that consistently rewards those who strive toward the realization of that vision. The leader should be someone in a position to compel the compliance of all parties who will have to participate in the reinventing or changing of the organization. He or she must inspire the organization's members to commit to the change efforts and believe in them.

The sixth commandment urges leaders to garner *"political sponsorship"* for the change effort. It states that political sponsorship must be lined up to support the leader at all levels throughout the organization, but recognizes that leadership alone

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cannot bring about large-scale change. Success depends on the combined efforts of a broader base of support for the change effort built within the organization. "This coalition-building should include both power sources - the holders of important supplies necessary to make the change work - and stakeholders - those who stand to gain or lose from the change" (Kanter, 1992, p. 384). This is to ensure again there are pro-active proponents for the change at all levels of the organization contributing to the change efforts.

Next, commandment seven, states that an *implementation plan* must be crafted. While a vision may guide and inspire during the change process, an organization also needs more information and direction in order to accomplish the change. This change plan acts as a "Plan Of Action and Milestones" for the change effort and details all areas of the change. It should specify who the points of contacts are, where and when meetings will be held, what the direct action items are, when these are scheduled to be achieved, etcetera, and be subject to change as needed. It is the function of the change makers, either the change strategists or implementors or both, to clarify and design this plan of action for change. The implications of the change should be emphasized to all stakeholders.

Number eight, *enabling structures* must be established to help the organization's ability to change. Setting up a new structure that supports the transformation process is important. Altering the status quo, organizational structure, or ways of doing business does not happen instantly. Mechanisms for implementing change should be developed to allow for a smooth transitional phase. These mechanisms may be part of the existing organizational structure or may be created

solely to support the change. They allow change efforts to be planned and implemented while the organization is still a functioning entity. These enabling structures are designed to facilitate and highlight the change efforts and can include setting up pilot tests, focus groups, workshops, and training programs, as well as changing the organization's name, revising incentive systems, or physically rearranging spaces. They should be designed to aid in the learning process and encourage the transfer of knowledge throughout the organization (Troy, 1994). They facilitate the change process and allow for efforts to be visible to promote awareness and commitment. They are helpful in getting more personnel involved in the change efforts and can result in the identification of problem areas.

The ninth commandment can never be overdone. Organizations must *communicate, involve their people, and be honest* with their people. In fact, this should be done throughout the entire change process, from before the change is even formally decided upon to after the change is in effect. Although not always feasible, change leaders should communicate openly and seek out the involvement and trust of people throughout their organization whenever and as much as possible. Full involvement, communication, and disclosure are not necessary for every change action or decision, but can be extremely effective for overcoming resistance and promoting commitment to the change efforts. This is a democratic approach, most people prefer to have some say in matters affecting them and will react more favorably to the change if they do; even if they do not totally agree with the final outcome. This process builds commitment and fosters good will towards the change.

Finally, change makers must continually *reinforce and institutionalize* the change. Change implementors should make it a top priority to prove their commitment throughout the transformation process, by rewarding risk-taking, and incorporating new behaviors into the day-to-day operations of the organization. This phase should align the recognition and reward systems with the change vision and strategy. Progress reports, success stories and information on results should be monitored and updated continuously. In order for a change to "stick", it must be constantly reinforced. If this is not done, people may shift back to the "old, comfortable" ways of doing business, rendering the change efforts ineffective. (Troy, 1994)

These ten commandments are not the only tactics the planned change literature advocated, but they capture the essence of the advice typically offered. Further, the three change maker groups introduced are representative of the logical types of groups needed in any change situation and the guidelines outlined are broadly accepted. However, this model provides only a skeleton of common characteristics of successful change; for just as every organization's environment and situation is different, so must their plans for change be unique.

B.   MERGERS

A major issue in MSC's reinvention is the consolidation of its Afloat Personnel Management departments. Traditionally, two unique pools of CIVMARS have been managed in very different manners to meet the needs of their areas of operational responsibility - LANT and PAC. This is probably the single most important area of concern for MSC's CIVMARS.

As discussed previously, change is difficult to manage, yet must be managed well to achieve the desired outcomes. Mergers are a form of change, and the model discussed above applies to their management. However, mergers have unique issues, not necessarily addressed in a general organizational change. The development of new relationships or structural changes due to mergers or consolidations is a major scenario in the change management arena. Troy (1994) reports that change management efforts due to mergers or acquisitions were voted successful 45% of the time, and that this result is stronger in service firms than manufacturing firms (p. 14). In her research report resulting from an ongoing series of studies of over 160 United States and European businesses, Troy (1994) lists the following characteristics of a successful merger:

- a reworking of the traditional command structure so that internal and external relationships become lateral rather than hierarchical and decisions are made by those closest to the customer;

- a strategy-setting process that focuses on corporate strengths and looks for creative ways to meld strengths with current and anticipated customer needs;

- increased flexibility in organizational and work process design, and;

- an environment that promotes continuous learning. (p. 16)

In terms of human resource management, even a friendly merger of two organizational entities can be very difficult to manage. This is often due to the history of competition between the two entities, as well as differences in operational, and administrative procedures or organizational culture. Anfuso (1994) states, "Mergers can be messy. Combining two very different cultures can be chaotic as both parties try to blend. It needn't be this way. Although mergers always create

confusion and frustrations, the losses can be minimized by involving human resource specialists from the get go." (p. 48)

Mergers create chaos due to the different policies, procedures, management styles, worker attitudes and expectations of the merging organizations. Organizations undergoing mergers must expect, understand, and plan for this and approach the merger with a personnel or human resource perspective. The corporate transformation should be reflected in its human resource operations from the very origination of the concept of change.

Mergers imply the optimization of resources from the combination of two or more separate entities. The goal is to take the best of both worlds and make it into one. Mergers tend to be rife with duplications of functions, procedures, and assets. These duplications must be dealt with and either combined or eliminated. Likewise, job positions are often duplicated, meaning some will have to go. This creates fear in personnel for job security. Additionally, the cultures of organizations tend to foster loyalty, feelings of belonging, and social networks among their members. This is a very difficult barrier to change.(Troy, 1994, p. 36)

Troy (1994) and Anfuso (1994) emphasize that when planning a merger or consolidation, management must sensitive to the people aspect of the merger at all times throughout the process. This is consistent with basic change theory as discussed above. Management should organize their approach to a merger or consolidation from a human resources and human resources management perspective. For example, comparisons of the two companies' cultures, including pay practices,

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management styles and worker attitudes, and examination of the utilization of personnel at each entity must be carefully analyzed.

A smooth integration of the people in merging entities is vital to the organization's success. No organization can afford to engage in a merger with an incompatible organization in which the people and business practices clash miserably with its own. Schoonover(1988) outlines the need for demonstrating the compatibility of change between the two entities and suggests that no organization can afford to manage a merger or acquisition poorly and end up with lowered morale and unforseen financial liabilities.

The process should follow a logical format. It should start before the planned merger is announced to the employee populations of the two companies. The change must be aligned with the desired organizational values and strategies. The change plans should be made common knowledge (Schoonover, 1988). A time line and enabling structure should be setup for providing and acquiring information on an ongoing basis. While gathering the data, a representative of each entity's personnel function, such as recruitment or payroll, should work with his or her counterpart at the other company. By working together a joint effort atmosphere will be established helping to foster a more accepting environment.(Anfuso, 1994)

Compensation and benefits practices, which vary widely from company to company, are often the most difficult areas to integrate when joining two firms (Anfuso, 1994). Because of this, special care should be taken to address each area. Full examination of administration and operational policies and procedures should be performed. The differences between the two entities present the biggest challenge;

blending the two systems to satisfy the employees from both places. Each difference should be analyzed and resolved. These resolutions can be in the form of a single "new" standard, the acceptance of two unique standards, or any combination of the two, the important thing is that they are addressed. In order to be successful, the employees involved in the merge must be satisfied in a cost-effective and businesslike manner. The needs of the majority of that group must be met. "By managing the people issues, especially the `me' questions, employees feel respected and included".(Glaser, 1994, p.86) This is important in maintaining morale, as well as retaining valued employees. Low morale or significant personnel losses can significantly impact the organization's operational capability.

A major issue, with which organizations dealing with mergers, acquisitions, or consolidations have struggled is integrating different organizational cultures. It can not be stressed enough that corporate cultures affect the success of mergers. The differences in cultures between two companies impact more than just the way of doing business or compensation policies. They can have a tremendous effect on whether or not the companies can successfully blend. A cultural analysis should be done by interviewing and observing people within the two companies. The analysis must include management styles, performance evaluations, pay practices, employee-relations issues, types of affirmative-action programs, utilization based on demographics and other items. Once analyzed, these differences must be reconciled and resolved to meet the goals of the organization and also satisfying the majority of its stakeholders, especially the ones directly affected by the merger.

Glaser (1994) stresses the importance of frequent and honest communications with both merging organizations. People must be kept informed as much as possible. Communication efforts must be aimed at keeping the employees appraised of the activities taking place and the reasons behind the changes. These efforts can include: teaching the affected organizations the parent organization's strategies and philosophies; informing them of the steps involved with the planned merger; and providing an overview of the process the company must go through before the merger is completed. After the merger is completed, the organization must continue to communicate to both sides. Anfuso (1994) quotes one executive as saying, "Although it's very important to talk beforehand, it's even more important to talk afterwards. You answer a lot of questions and restate things you've already said three or four times to keep them fresh in their minds" (p. 52). This is in keeping with the reinforcement and institutionalization commandment of Kanter et al. (1992).

The inclusion of people and the importance of good information and communication channels is critical to the success of any change effort, reorganization, consolidation or merger. Novell's Merger Book outlined by Dawn Anfuso, (1994), provides a succinct guide to handling the people end of a merger. In MSC's case it is a consolidation vice a merger, however, the same processes must occur.

C.   HUMAN RESOURCES MANAGEMENT

Once an organization initiates a change effort, it must be sure to modify its Personnel/Human Resource (P/HR) management activities in order to align them with the change. No one doubts the importance of an organization's people, yet, the people are often the most ignored area of reorganizations. Emphasis is often focused

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on the structure, process, or product, leaving the people aspect to adjust on its own. This is a huge error. In order for an organization to excel, it needs the efforts of its people. To ensure the full efforts of its people, an organization must fulfill the needs of its workforce. To this end, sincere efforts must be made to satisfy and meet the needs of personnel.

As was discussed in the previous two sections of this chapter, information gathering and assessing employee and management attitudes and practices on a continuous basis throughout the change processes is crucial for successful change. Schoonover (1988) states that "people problems derail change efforts far more often than technical or procedural problems" (p. 139). This is because personal relationships, social networks and informal interactions are ignored, but will have an inevitable influence on the planned change. People are social animals and have the need for feelings of belonging and commitment to achieve their full productivity potential. In order to foster these feelings, organizations must meet the expectations of their employees, this is done through human resource management functions.

Personnel/Human Resource (P/HR) outcomes are critical to the success and survival of organizations. The quality of the match between characteristics of individuals (ability and motivation) and jobs (requirements and rewards) determines how favorable the outcomes are. The six main functional areas of a human resource program are:

1.   External staffing;
2.   Internal staffing and development;
3.   Compensation;
4.   Labor relations;

5. Work environment;

6. Interrelationships among activities. (Henemen, Scwab, Fossum, and Dyer, 1989, p. 8)

External staffing consists of recruitment policies designed to bring new employees into the organization. Internal staffing and development refers to the movement of employees within the organization including promotions, transfers, demotions, employee training and development, layoffs, retirements and other such administrative actions. Compensation is the next area and is often the most important area to most employees. It involves establishing wages and salaries for jobs based on job conditions, market conditions, government regulations, and compensation. The fourth area is labor relations. MSC's two largest area commands, PAC and LANT each have their own unions representing them. These unions have negotiated with their respective area commands independent of each other with different results, which is another area of concern for the APM consolidation aspect of MSC's reinvention. Next, the work environment is a major issue in employee satisfaction. The work environment is a broad concept that encompasses the design of jobs and the safety of the work area. It includes policies on occupational illnesses, injuries, or deaths. Employees and their job performance are directly affected by their work environment. The attitude and culture of the workplace have a major bearing on both the employee's sense of belonging and their expectations of the organization. The last major area of P/HR management is that of interrelationships among these six activities. Although major activities can be discussed individually, the reality is that they are all very highly integrated and have profound effects on each other. Thus, trying to resolve one issue may result in causing problems in another area. A systems

approach must be undertaken to attempt to resolve all the various issues in conjunction with each other.

D.   SUMMARY

For some people, change is stimulating, a real adventure. For others, it is painful and anxiety-provoking. Yet the stark reality of today's business world is that no one can avoid change. MSC is no exception. It is up to the organization's leadership to determine if change is needed, define the change, clarify the expectations of the change, acknowledge the positive and negative effects of the change, create the climate for successful change, provide a plan of action for the change and ensure the change is implemented, reinforced and followed up on.

Based on the literature about organizational change, mergers, and basic human resource management theories, it will be possible to analyze the CIVMAR perspective on MSC's reinvention and predict their commitment to implementation. Change is hard for people to accept on an individual level, this is multiplied by the more people and interactions involved. Attempting to transform from a traditional bureaucratic organization with decentralized areas of responsibility to one of program management and centralized support areas, is a radical change. It has a profound effect on MSC's CIVMARS' work life and the support provided to them. The literature reviewed continually stressed the importance of including the affected personnel in the process, keeping them informed, soliciting input and feedback, and in general fostering commitment and ownership in the change. This thesis will focus on how the CIVMARS feel about the reinvention concept and implementation process and how their perceptions relate to the literature reviewed in this chapter.

Specifically, the following questions must be considered if the change is to be successful. First, what is the level of CIVMARS agreement with the need for change or with the change as planned? Secondly, to what extent have CIVMARS been included in the planning, designing and implementing of the change and do they may feel that their concerns, inputs and desires are being considered? And finally, what are the major concerns being voiced by CIVMARS regarding MSC's reinvention, and in particular what issues they would like to see addressed during the change process?

IV. METHOD

A. DATA COLLECTION

1. Data Sources

This thesis utilizes MSC's formal and informal communications systems to gather its qualitative data. Over 150 individual responses were generated by Admiral Quast's request for input in his "All Organization Call" message of 20 April 1995. This "call" was to solicit feedback; inputs, comments, questions, opinions, etc., to the proposed restructuring model outlined by the work of the Reinvention Management Team (RMT).

In his message, the Admiral asked MSC's leadership to: "ensure all your people are aware of the draft, repeat draft `Reinventing MSC' document. I am sincerely interested in feedback and strongly desire your comments; I look for your input. Raise the unanswered questions, voice your people's concerns, and I want you, the MSC leadership, to encourage the very widest participation in this process" (Quast, 1995, p. 2) He also stated he was looking for positive comments as well as recommended improvements. The Admiral's call directed all inputs be submitted to Captain Chris Peters via cc:mail by 12 May 1995 so that they could be reviewed and briefed mid-May.

In order to provide continued accessibility for inputs, a "Reinvention Mailbox" (RM) was established at MSC's Manpower and Personnel Directorate (N1) department in Washington, D.C. This provided MSC personnel with an ongoing mechanism for contributing input, questions, and concerns to the reinvention planners via the Communication Management Team (CMT). This thesis uses the data gathered

by these two sources, the "Call" and the "RM", for the six month time frame of April through October 1995.

2.   Sample

The total count of e-mail submissions received by Captain Peters prior to 15 May exceeded 190. This thesis utilized 118 of the over 190 submissions for this research. The other 43 inputs used were received via the Reinvention mailbox (RM).

There were many inputs submitted in response to the Admiral's "Call" and to the Reinvention mailbox. However, this thesis only utilizes inputs that were: 1) directly related to the administration, management, and support of CIVMARS; 2) were submitted by CIVMARS; or 3) were submitted by non-CIVMARS who are directly involved with the management of CIVMARs (i.e., personnel support...). Although every effort was made to accurately identify and sort the inputs, many were unidentifiable as to the author, command, CIVMAR/non-CIVMAR.

These limitations noted, the breakdown of the 160 inputs directly utilized for this study is as follows:

Table I. Breakdown of CIVMAR Input

FLEET	HQ	LANT	PAC	OTH	UNK	SUB TOTAL	TOTAL
CIV	0	27	15	2	2	46	
NON	15	33	17	2	10	77	
UNK	6	7	6	1	17	37	
TOTAL	21	67	38	5	29		160

Table I (Continued)

FLEET	HQ	LANT	PAC	OTH	UNK	SUB TOTAL	TOTAL
CALL	21	51	30	50	11	118	
RM	0	16	8	0	18	42	
TOTAL	21	67	38	5	29		160

Legend:

Site: HQ = MSC, Headquarters
         LANT/PAC = Atlantic/Pacific MSC Area Commands
         OTH = Europe, Far East or other MSC sub-area commands

Personnel: CIV = CIVMAR
            NON = non-CIVMAR
            UNK = unknown from data

Source: Call = responses to Admiral's All Organization Call
          RM = submissions to the reinvention mailbox

B.   DATA ANALYSIS

Using techniques similar to Houglan's (1993), this thesis categorizes and reports on the perceptions and concerns of MSC's civilian mariners on the ongoing reinvention of their organization. The individual e-mail submissions were analyzed using subjective qualitative methods. The process involves what has been called "segmenting" the information (Tesch, 1990), developing "coding categories" (Bogdan & Biklen, 1992), and "generating categories, themes, or patterns" (Marshall & Rossman). This method was used because of the unstructured nature of the data.

The primary research topic of "CIVMAR Perception of MSC's Reinvention" was further divided into three major themes. These were: 1) the perception of need for change; 2) the process by which the change was being implemented; and 3) issues

the CIVMARS wanted to see addressed during the change. Each of these areas subsequently revealed other sub-categories. Data were sorted, and subcategories to the three main themes were identified using the techniques of "constant comparison" and "memoing". These techniques are elaborated below.

The first step in the analysis was to scan e-mail submissions to determine the main themes identified by the respondents. As the inputs were read, topic areas began to present themselves. Throughout the analysis process, the principle method of determining topics was a coding procedure to reduce the information into themes and categories. This required continuous comparison of comments to comments, subject matter to subject matter, and concerns to concerns. This process allowed topics to grow and develop from the inputs provided. Although a topic framework was established at the beginning of the analysis, the constant comparative process enabled other issues to be generated from the data that provided a greater description of the underlying concerns from the perspective of the civilian mariner.

The data were then again read more carefully for clarity and understanding, and the central ideas were highlighted for later reference. Key highlighted excerpts which reflected the main issues of each input were then coded by major topic(s), date received, name of author, fleet of author, and CIVMAR/non-CIVMAR status of the author. Next, coded data were entered into a working outline to sort and provide a framework for analysis.

The constant comparative process mentioned above included an interpretative or opinion memo written on or attached to each entry to provide a basis for analyzing the inputs. "Memos are the theorizing write-up of ideas about codes and their

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relationships as they strike the analyst while coding" (Glaser, 1978, p 83). These notes or memos were used to help the analyst focus her thinking as the comparative process continued. The analyst also used the memoing process after each descriptive summary and as part of the final phase to consolidate the topics and themes into the pre-established framework. The central themes and categories resulting from this categorization are reported on in Chapter V, analyzed in Chapter VI, and concluded in Chapter VII.

C.   LIMITATIONS OF DATA

The data analyzed for this thesis have inherent limitations due to the method by which they were collected. The unstructured collection method has both advantages and disadvantages. The main advantage of an unstructured solicitation of input, is the wide breadth and depth of responses. Its intent is to identify and generate additional and related issues, thoughts, and responses, that may not have been considered in the originating discussions.

However, there are also disadvantages to unstructured data collection. The data gathered and used for this thesis has limitations primarily resulting from the question of whether the sample is an accurate representation of the population. These are described below.

The invitation to respond was put out to all hands, however, the results were not a systematic sampling of the CIVMAR population of MSC. One example of a limitation is that, many inputs were written by one person to speak for the "crew". Because of this approach, many individually voiced concerns may not have been addressed as the author of the input attempted to get the "general ideas and

consensus". This leaves open the question whether the input sent represents the views of the entire population of mariners.

Second, there was not a verifiable method to ensure all CIVMARS were aware of the invitation or knew how to respond to it. There was no accurate "logging" of all received inputs to assure all inputs were received and accounted for. Also, it is often difficult for individuals in the lower levels of an organization to speak openly and honestly if they disagree with upper management. This is especially true in traditional, military, hierarchial organizations and may have resulted in less than total honesty and disclosures in the inputs. This may have limited people's willingness to give input.

Since the format for submissions was wide open, the inputs often addressed issues not directly but possibly indirectly related to the issues being sorted, leading to the subjective sorting and identification by the researcher.

The data were interpreted by a non-MSC, non-CIVMAR researcher and thus may have been interpreted inaccurately due to lack of familiarity with specific terminologies or specific policies or procedures. However, the confirmation of key personnel, such as Roy Woolwine (COMSC, N1), Captain Smith (MSCPAC), Captain Nullet (MSCLANT), Susan Melow (MIDLANT, Norfolk), Jerry Spano (MIDLANT, Bayonne)that the issues identified were the same as the issues continually raised in CIVMAR focus groups adds to the validity of the findings.

Finally, qualitative research is interpretive research. As such the biases, values, and judgement of the researcher become stated explicitly in the research report (Locke, Spirduso, and Silverman, 1987). This does not imply that the analysis and

conclusions are inaccurate. Although the qualitative data studied and analyzed for this thesis has potential subjective and validity limitations, the researcher took the following steps to minimize threats to validity.

As the constant comparison procedure was being used to identify themes, the researcher was in contact with the five key informants listed above. These individuals had frequent contact with the CIVMARS and were in three cases, explicitly acting as linking agents to the reinvention process. These three individuals were Susan Melow (member of the Communication Management Team supporting the Reinvention Management Team), Roy Woolwine (member of CMT and caretaker of the RM), and Jerry Spano (member of the APM working group). Phone calls for clarification and requests for information were made to these individuals as needed throughout the research and analysis time frames. Due to the professional knowledge and experiences of these key individuals, these conversations ensured the validity of this analysis in ensuring the researcher was interpreting the inputs from the CIVMARS' frame of reference.

V. RESULTS AND ANALYSIS

This chapter will report on and analyze data representing the CIVMAR perspective on the reinvention of MSC. The data addresses three main issues:

1.   The need for change;
2.   The process by which the change is being implemented; and
3.   Reinvention actions.

These topics provide a means for sorting the CIVMARS' inputs into relevant areas of concern. The themes that emerged relevant to each topic will be summarized and illustrated with direct quotes. A section summarizing the main themes will conclude the chapter.

Areas brought up by the CIVMARS as they responded to the Admiral's Call and the Reinvention mailbox form the basis of the data analyzed. It is important to note that the data (160 individual inputs) used were submitted by actual CIVMARS or non-CIVMAR personnel directly representing CIVMAR concerns. Any information that was provided by other MSC people was removed from the sample. Quotations used in this chapter were chosen because they are representative of themes that were raised repeatedly. Due to a concern for anonymity and the open submission parameters of the data gathering, respondents will not be identified. However, the number of inputs on a given theme will be either stated in text or identified by a number in brackets "[]", after the statement. Some inputs were applicable to one, two, or all three of the topics. These will be placed under the single most appropriate topic as determined by the researcher.

## A.	THE NEED FOR CHANGE

This section discusses the CIVMARS' understanding and agreement with the general reasons for the reinvention and their concerns regarding underlying implications of the reinvention plan. It also addresses whether they believe the reinvention will be successful and result in real changes.

### 1.	Understanding/Agreeing with the Need to Reinvent

Seventy-two responses explicitly addressed the issue of the need for change. The majority [57] agreed with the necessity to change in order to remain a viable organization. Only 15 respondents disagreed with the need for MSC to change. However, almost every input questioned the specific reasons that were driving MSC to reinvent. This lack of awareness of the driving causes is evidenced by the following quote from a senior CIVMAR which was written in response to the Admiral's Call:

> It is a lot easier for people to buy into change when they know why and believe it's the way to cure problems. I've been asked many times "What are we trying to solve?" It's lot harder when they think that change is being made for changes' sake or they think that someone is just trying to make a name for themselves.

It is important to note that the data analyzed for this thesis was collected after the draft of the proposed reinvention plan was released to all of MSC via a naval message. Therefore, one would assume that the stated intent of the reinvention was known by CIVMARS. However, although the goals of the reinvention were communicated, the data shows considerable ambiguity surrounding an understanding of the reasons for initiating such a drastic change. Approximately 30% of the

CIVMARS commented they were not provided with sufficient data or analysis, as the following quote illustrates,

> The slides did not say anything. They were a presentation of conclusions without any supporting comments.

This opinion was echoed 23 times in the data, and supports the view that perhaps dissemination of the reasons for reinvention was not adequate.

2. Belief That Reinvention Will Occur

There were five direct comments that reinvention would not occur. One stated that the whole concept was "political hogwash", while another saw it as "smoke and mirrors - no real change". The other three comments were less concise but conveyed the same message if not as graphically.

3. Level of Concurrence with the Proposed Strategy

As mentioned above, the data revealed 57 responses of agreement with the need for the reinvention. However, of those in agreement with the need to change, only 17 fully supported the current plans while 40 believed that the current plans were not the most efficient and effective way to accomplish the needed changes. In other words, most who saw a need for change did not wholeheartedly support the plans to reorganize along program lines or to consolidate Afloat Personnel Management.

a. *Wholehearted Support*

Of the 17 respondents who fully supported the need for both reinvention and the planned changes, nine supported the plans wholeheartedly. As one of the nine reported: the "Concept was generally well received with the usual hesitancy experienced when change is introduced." The other eight respondents concurred with the need and plan for reinvention, but added additional comments. These were

divided into feelings that "reinvention/reorganization is long overdue" [4] and although the concept is long overdue, the mission was being accomplished [4]. In short, 30% of those in agreement with the need for change also concurred with the planned changes.

b.   *Support the concept, but not the current plan*

In contrast, 40 of the 57 inputs (70%) reflecting agreement with the need for change agreed with the concept, but not with the planned strategy. These disagreements spanned a broad spectrum from the plan being:

- too sweeping of a change;
- too narrowly focused;
- a non-optimal structural approach
- premature or inappropriate in terms of the Program Management approach.

(1) Too sweeping versus too narrowly focused. Diverse opinions were expressed on the scope of the planned change. As the following quotes suggest, three respondents believed that the planned changes were too broad: "(It is) good to improve, but not so drastically, maybe just incrementally via process improvements," and "Is a total overhaul of MSC needed?" On the other hand, four respondents believed the change as planned was too conservative. These two quotations illustrate their thoughts:

> From what I have learned from the Annapolis' working groups models, the ideas being developed may not go far enough to fully realize the most economical and efficient organization. Something bolder may be more appropriate.

and,

> ...the current reorganization effort is too narrowly focused within MSC... While those functions related to transport and sealift could remain exclusively under MSC and TRANSCOM control, the remainder of the fleet support assets could be effectively consolidated under direct fleet control.

It is interesting to note that, in general, although the data revealed very strong opinions, feelings, and concerns, it rarely detailed exactly what the respondents believed was the 100% answer.

(2) Belief that structural change is not the answer. Sixty-two percent of the CIVMARS who supported the need for change did not support the planned structural reorganization [31]. Their ideas on how to best implement change tended to be more total quality management oriented, in that they saw business processes and customer service orientation as being the key to MSC's change efforts. The next two quotes illustrate this focus:

> I would opine that the key to streamlining our organization and better meeting customer needs has more to do with the processes we follow and the organizational culture we foster than the shape of our organizational tree [3];

and secondly;

> It is my opinion that organization models are the last step, rather than the first, in the reengineering process. A managed RIF and buy-outs will provide immediate savings to our customers. Improvements to our processes and customer support could then be had from the remaining workforce, who would not be driven to distraction with fear that any improvements they come up with will be the seeds of their own destruction.

Both of these quotes question the validity of a limited emphasis on the structural approach to implementing change.

Four individuals expressed views similar to that delineated in the following quote:

> To me, the proposal gives the appearance of adding PM structure to the existing MSC organization and just nibbling at the edges... Without information..., there is little in this presentation that would support a case for this being reinvention. Frankly it seems more like rearranging the deck chairs on the Titanic.

These quotes show that although many CIVMARS agree with the need for change, they are not all "on board" with the reinvention strategy that emphasizes structural reorganization.

(3) Disagreement with Program Management. There were approximately 24 opinions disagreeing with the Program Management (PM) structure. Sub-themes here were: "(it is) "good to change, but the PM structure is not the way to go" [17] and that a "partial PM structure but not total"[7] would be the most effective alternative. Two particularly strong comments on this subject stated,

> It is unnecessary for MSC to be organized like the Navy - it has evolved into a sort of Navy counterpart organization unnecessarily - PM structure not realistic, need seagoing experienced management personnel not bureaucrats.

and,

> The staff proposal seeks to change a proven system with an uncharted and unproven program management concept, where day to day decisions that are now being made at the area command level will be made in Washington by the PM.... It is clearly understood by all that MSC will have to change if it is to remain a strong viable org will in the 21st century, but let us not change for change sake.... In addition, I recommend that vigorous steps be taken to consult with our customers and get feedback from them before implementing the staff model.

Over 12 individuals wanted to know what measurement, review, and or other verification procedures were used to select the proposed model. These data call into question reliability/validity of the proposed Program Management structure. CIVMARS stated that verification techniques or results were not made available nor were their existence even mentioned to them. These CIVMARS feared that no bench marking or performance measurement techniques were used in the design of the reinvention nor were being put in place for the implementation and follow-up phases of the reinvention. This may have resulted in additional distrust of the change and resistance to it.

c. *Disagree with the Concept of Reinvention*

Four respondents felt strongly that the reinvention as planned "will be a fiasco". There was also an often stated concern that "the command is taking on too much at once - it is potentially threatening to MSC's customer service reputation"[4].

4. Implications of Reinvention to CIVMARS

As the literature states, for employees to embrace planned changes it is important for them to understand how such changes will affect them. In MSC's case, the data suggested that even senior CIVMARS were unsure of how the reinvention would affect them [3]. The following quotation illustrates their concerns:

> It is a sad day for MSC when we send a message to our people that there will be a major change without having a clear understanding on what it means to them and for that matter not having a model to show; why, when, how, etc....

Another management level CIVMAR addressed the frustration senior CIVMAR S felt in not being able to answer their personnel's questions.

> People want to know, "What's in it for me? Will I have a job? What job? Where will it be? etc. These questions are legitimate and need to be answered... I have no answers. Nor can I justify the recommendations... We had better address these key concerns. The rumor mill undermines us [2].

These comments explicitly communicate an underlying theme of CIVMARS' dissatisfaction with the lack of concrete facts and data to explain how changes brought about under reinvention affects individual CIVMARS and the CIVMAR population as a whole.

The data also revealed a perception that cost reduction and streamlining goals will be met through reducing the ranks of CIVMARS, and that they will be the ones to lose , as has been their experience in the past. A personal fear of loss of employment was expressed in ten responses. A related suspicion that change meant reduction in CIVMARS billets was discovered in over 20 additional responses. It appears that these comments were based on the CIVMARS belief that, historically, MSC has thinned its ranks via the afloat community, and that the current change will similarly adversely impact the CIVMAR.

5.   Trust in the Hierarchy

CIVMARS are self-admittedly suspicious by nature when dealing with shoreside, unions, or any land-based authority, [3]. Seven explicit comments expressed a belief that shoreside staff will take care of themselves, and are indifferent to the needs or desires of the CIVMARS. Mistrust of shore-based personnel was echoed as an underlying theme in fully 70% of CIVMAR responses. Their suspicion of MSC extends all the way to the top of the organization. Although they believe the Admiral has good intentions, they see him as not having a vested interest in MSC due

the relatively short duration of his tour as MSC's Commander [9]. According to the literature, the leadership must inspire in people the commitment to change. These data suggests that this will be difficult for MSC leadership to accomplish in the current climate.

B.   THE REINVENTION PROCESS

In this section, the focus is on CIVMARS' thoughts and concerns about the reinvention process. The three main themes to be discussed are:

- CIVMAR comments about the communication methods used to disseminate reinvention information,

- their perceptions about their level of inclusion in reinvention activities, and

- their comments concerning the feedback process

The second theme, perceptions of inclusion in the reinvention process, is one of the largest of all data area groupings and has been broken into the following subsections:

- CIVMAR perceptions on their representation

- CIVMAR desires for greater representation

- CIVMAR perception of MSC's valuation of their submissions

1.   Communication of Reinvention Information

This section focuses on the CIVMARS' views of the means by which reinvention information is being disseminated, as well as their recommendations for improvement.

a. Insufficient Communication Mechanisms.

The data indicated that a communication problem arose during the distribution of the draft reinvention plan and the initial MSC Reengineering video [7]. It revealed a perception that this information was not getting to all the crews [4], and suggested this was due to the fact that while "some ships have good [communication] systems, others don't." This lack of continuity between the communication systems used and those available to the CIVMAR is evidenced by the fact that most CIVMARS did not have direct access to cc:mail, and others, such as the USNS John Lenthall and Niagara Falls, did not have video cassette recorders (VCR) to show the video. One solution offered by CIVMARS was to renew distribution using the original three-fold method; communication through verbal, visual, and electronic means. In a slightly different vein, it was also suggested that a "reinvention guru" be designated on each ship to act as the single point of contact for all reinvention matters. However, this alone would not ensure adequate dissemination if the points of contact were not given information to respond to the kinds of questions and concerns that have been previously discussed. Nor would this necessarily combat the electronic non-availability issues (cc:mail access and no VCRs).

The limitations in the communication systems described here may have contributed to the lack of understanding of the reasons for reinvention that were noted in Section A.1.

b. Lack of Sufficient Information.

Another communication issue addressed in the data was a desire for more information about the reinvention effort. It appeared that the information

received served to generate more questions and concerns than it answered. Three

direct examples of remarks in this area were:

> Draft vague, left many unanswered/unaddressed issues;

> Lack of information gives the whole plan feeling of incompetence and
> possible sub-optimization. Also makes it difficult if not impossible to
> effectively comment on what is happening;

and

> I've just completed an All Hands brief about the communication teams
> ... the burning questions dealt with job security and the possibility of
> a RIF... I assured them we'll have at least the rules/regulations pertinent
> to RIFs out to everyone soon...

These comments indicate a need and desire for more and clearer reinvention

information along with better dissemination vehicles. In addition to CIVMARS'

desires for more information, the data also identified the need for improvements in

feedback mechanisms. This will be discussed next.

c. *Inadequate Feedback Mechanisms*

Generally, CIVMARS desired to submit comments and suggestions, but

were not provided with contacts and mechanisms for making their feedback known.

At least six requests for lists of points of contacts (POC) and working group members

were documented. (It is interesting to note that this researcher also found it difficult

to track down the appropriate personnel, and could not locate published lists of all

working groups, specifically, the APM working group). Although respondents

appreciated the chance to provide feedback, they were distressed by the lack of

opportunity to provide input prior to the release of the draft reinvention plan.

The following suggestion regarding reinvention feedback preceded the

establishment of the reinvention mailbox and requested that,

an anonymous cc: mail box be set up with the user name `Reinventing MSC' ... this way anyone can log on under that name and pass on their suggestions without fear of retribution.

The fear of retaliation evidenced in the above quotation is symptomatic of the CIVMARS' distrust of the organization and the reinvention process, and, as such, intimates that appropriate feedback mechanisms are those which ensure anonymity. This creates a communication dilemma in that, as noted previously, there is not universal access to the mechanism (cc:mail) that could be designed to ensure that anonymity. Additionally, it may be difficult for some CIVMARS to fully express themselves via an unfamiliar communication method. CIVMARS' perceptions of their level of inclusion/exclusion in the reinvention process will be discussed next.

2. Perception of Involvement in the Reinvention Process

The main portion of this section is devoted to documenting the data regarding the CIVMARS' perceptions of inclusion in the reinvention process from its conception to its current stage. It discusses their feelings concerning adequate representation and examines their beliefs on the value of their inputs to the reinvention process.

a. Perception of Adequacy of Representation

CIVMAR folklore has it that by the time the brass seeks our opinion what's going to happen it is already etched in granite...Admiral Quast wants to change that. WOW! Hard to imagine; the CIVMAR empowered to be a player! [4].

This quote exemplifies the underlying current of suspicion and/or distrust of MSC's leadership in involving CIVMARS in planning change. Over 35 CIVMARS (22% of total respondents) explicitly commented on the lack of CIVMAR

representation in the planning, decision making and implementation processes for the reinvention. These responses came from all levels of CIVMAR and CIVMAR support populations. The belief both that change should be planned with the involvement of all employees but that in this case it has not, was echoed fourteen times. An additional fourteen comments confirmed the perception that CIVMARS were not included in the planning process.

In his first video, Admiral Quast stated that 170 people were involved in reinvention planning. CIVMARS perceive that only two of these 170 were CIVMARS [3]. This datum was presented by three senior people, one from Headquarters, one from PAC, and one from LANT. Of these, two were CIVMARS and one was support staff. Representation ratios were questioned and verification requested that CIVMARS were, and would continue to be, represented fairly in the reinvention process. There was a pervasive feeling throughout the data that there was not adequate CIVMAR representation.

A sub-theme to this perception of exclusion is a concern that CIVMARS would not be fairly represented in the APM working group. Two individuals directly stated their belief that CIVMARS were being excluded from current working group membership, meetings, and presentations. Comments related to this sub-theme were:

- "Who picked the LANT/PAC representatives for the APM working group?", and

- "Why doesn't the working group include any/more licensed/unlicensed CIVMARS?"

Questions like these indicate that CIVMARS continue to feel they are not being adequately represented at the planning and decision making stages. These feelings of exclusion can exacerbate the feelings of distrust discussed earlier, and have negative implications for CIVMARS' commitment to reinvention.

b. Seeking Legitimacy for More Civmar Representation.

The preceding data can be interpreted that the CIVMARS' perceive they have not been adequately represented or included in the reinvention process. A few inputs reported that CIVMARS had been told:

> CIVMARS need not concern themselves [with the reinvention process] since their jobs will not be affected;

and

> Reinvention should not effect the day to day work of the CIVMAR... CIVMARs are encouraged to submit professional input to the cognizant work group.

These types of comments were echoed five times by senior CIVMARS and CIVMAR support personnel. That this attitude exists is surprising in light of the Admiral's direct call for input from all areas of the command.

These types of statements can be very damaging to garnering commitment to the change, as they lead to feelings of alienation and exclusion from the change efforts. They are also invalid from the standpoint that although the CIVMARS' shipboard duties may not change, the reinvention will directly affect them via the major changes occurring in the personnel support and administration areas of their work life.

On a more positive note, there were over 14 comments similar to the following:

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> Please continue to ask the CIVMARS themselves for input on how their jobs and lives at sea can be improved, as well as including representatives in the process from now on. It's appreciated.

This desire to participate, if capitalized on, can be used to bolster CIVMAR commitment to reinvention, as well as, create a more robust, comprehensive change effort that meets all constituents' needs. However, there are still stated and unstated frustrations of personnel wanting to be involved but not being afforded the opportunity to do so. The following is one comment that illustrates this frustration:

> Should there be a desire to include individuals from the CIVMAR workforce in the process, I would like to volunteer.

Although this person is offering their services, the wording of the statement implies a belief that MSC does not desire to include CIVMARS in the reinvention process. Similarly, the next quote is indicative of one individual wanting to participate, but not being supported.

> N8 stated: "No additional human resources are authorized to support the members of our management team involved in the reinvention process" ... without support here on the waterfront I'll have to resign from the team. I want to contribute and I believe I add value so my preference is to stay on the team. (This person was ultimately allowed to remain on the team.)

As the data indicate, CIVMARS generally believe they have not been adequately represented or considered in reinvention decision making or the ongoing process. The next section reports on their perceptions of the value of their input to MSC.

c. Perceived Value of Submissions

The fact that there were over 160 responses to both the Admiral's Call and the Reinvention Mailbox, demonstrates the CIVMARS' desire to be involved.

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Their concern that they be fairly represented lends itself to the interpretation that they felt their contributions would be used. With this said, it is interesting that the data revealed only negative comments from CIVMARS on the perceived value of their input to MSC.

The basic theme throughout the data, directly addressed by three respondents, was that there was a "predetermined agenda" for reinvention regardless of the solicitation for input. Statements that comments were being received and, if reviewed, subsequently ignored support this belief [3]. These perceptions may have been reinforced by the purported lack of acknowledgment or answers to CIVMAR' submissions and questions [10]. A number of respondents commented that they would like the "higher ups to talk to them personally" [3] because of their "sheer frustration at submitting inputs and voicing concerns - but no concrete answers being provided" [3]. One senior CIVMAR reported that the general "attitude is that because historically CIVMAR input has gone unacknowledged, any input offered will fall on deaf ears." Yet another illustrative comment on this theme was:

> Who should be answering the feedback requested? 75 people who submitted inputs have not heard anything back.

Once again, these comments directly support ongoing themes of inadequate communication channels and the CIVMARS' perception of alienation and exclusion from MSC's mainstream. The data indicate that although the CIVMARS:

- do not feel their contributions have been valued in the past,
- have not received requested information or feedback,
- have not been included in past decision making efforts,
- are minimally represented, and
- are not convinced that their inputs are being valued,

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they still desire to be involved and are willing to contribute. This demonstrates a commitment to MSC. Their desire for involvement bodes well for MSC's change efforts.

d. Implications

The implications of this section follow the main themes of the earlier sections. The CIVMARS appear to feel isolated from mainstream decisions and information channels of the command. They perceive that they are not adequately represented in decisions and planning regarding the reinvention. Yet, instead of giving in to feelings of negativity or victimization, they continue to push for their rights as members of MSC.

C. REINVENTION ACTIONS

This section examines the data regarding the consolidation of the Afloat Personnel Management Center, the proposed merging of the two civilian mariner pools, and various personnel/human resource management issues(P/HRM). At the end of this section, miscellaneous action items CIVMARS would like addressed during the reinvention will be discussed.

1. Afloat Personnel Management Center

Fifty-eight responses explicitly addressed the consolidation of the afloat personnel management functions into a single, centralized center. These responses are divided into three areas. The first set questioned the need for consolidation [19], the second, the geographic location of the center [26], and third, related administrative policies and procedures [13].

a. *Do We Need to Consolidate?*

Of nineteen inputs on this topic, six desired a more thorough analysis prior to consolidation due to the relocation impact on employees. This is emphasized in the following quote:

> This consolidation requires a more thorough analysis of the costs of moving employees, travel, and relocation of the marine workforce... will lose the very thing we are trying to achieve better service and treatment of our employees. Better service require more direct contact with the marine workforce and some commitment to our own employees. I would like to retire with the feeling the Navy really does care about its people.

The remaining thirteen evidenced concern that by centralizing, MSC would lose some of the flexibility needed to meet its different operational commitments. These also reflected the belief that the centralization of this function ran contrary to the decentralization theme of the reinvention effort.

b. *Location*

Location inputs mostly fell under the category that the APMC should be located close to the CIVMARS in order to meet their needs conveniently and effectively.

> N1 (personnel support division) should attend to the CIVMAR customer needs in a more timely and efficient manner when it is in close proximity to the customer.... It should be located at one of the two largest navy establishments in the world...[5]

The issue of where the APMC should be located to achieve this goal elicited many varied opinions [13]. Five wanted dual offices (LANT and PAC) [5]; two, a geographically centralized location; four felt Norfolk should be selected since it is the largest homeport area; while others were just concerned that it be close to

homeport areas [2]. (A sub-issue identified was an 8 to 2 ratio of dissatisfaction with the proposal to relocate out of the Bayonne support area. Eight LANT CIVMAR support personnel vice actual CIVMARS were against relocation, two were for it. This is relevant in that they can potentially impact the service level the CIVMAR is provided by the APMC).

c.   *APMC Administrative Policy and Procedures*

Thirteen concerns focused on the administrative policy implications of the consolidation. The issues here were:

> Will a single Civilian Personnel Management Instruction be rewritten or will there be two which continue to be based on LANT/PAC differences? [7]

A related question was whether there would be differentiated policies corresponding to the diverse operational characteristics of the two areas of responsibility (AOR) [6].

2.   Detailing Pool Issue

The single most frequently addressed and highly emotional theme was the proposed merging of the two existing pools of CIVMARS. These two pools, LANT and PAC, originated due the divergent operational requirements of these AORs. Different types of people are attracted into each pool based on these differences. As a result, different cultures have developed and with these cultures a sense of identity and security.

Ninety-seven percent of the thirty eight inputs on merging the pools vehemently opposed it and adamantly supported the dual pool concept. Only one response preferred the single pool concept. Twelve directly requested LANT or PAC preference designations. Three mentioned that temporary assignments to the other

fleets would be acceptable, however, they too definitely favored an assignment preference given a dual pool concept. Rationale for these preferences are illustrated in the following quotes.

> Have established relationships and contacts in "own" region unfamiliar ports would increase feelings of homelessness and isolation [4];

and;

> (there exists a) fear of becoming a nameless face in a single mariner pool that could be detailed to serve in either the Atlantic or Pacific region [2].

There was a 50/50 split of the four inputs addressing the actual detailing function. Half said it was "Okay for the command to keep a single detailing function at the APMC with two separate mariner pools (east and west) in the same office," while the others would prefer to see it done at satellite locations - a geographical separation. The latter was due to concern of the "possibility of evolving into one cross-coast pool" unless geographically separated. The number of direct comments on the consolidation of the pools and the degree of conviction expressed signifies this issue as possibly the most turbulent reinvention issue among the CIVMARS.

Also addressed, were feelings that the detailing process should be modified to do away with shipboard homesteading and bargaining for job assignments so that jobs would be rotated fairly. [3]

3. Labor Relations - Union Concerns

CIVMARS expressed concern about the involvement of the unions in the reinvention process. MSC is required by executive order to have a partnership arrangement with its unions, yet there were four instances indicating that the unions

feel their inputs were being ignored and saw MSC's rapport with the unions as diminishing.

Also questioned was the involvement of the maritime unions in the APMC working group. Still others wanted to know, "which constituency are the unions serving during these negotiations?" There were stated concerns that the unions are more interested in their own interests than their members'[4]. However, it was still important to CIVMARS that union representation remain intact. Others requested clarification as to which unions will represent the CIVMARS if the pools are combined.

4. Shoreside/Seagoing Disparities

A heated theme revealing strong feelings of animosity between shore and sea-based personnel was evident throughout the data. Almost all respondents stated or implied the belief that the shoreside looked out for itself with disregard for and/or at the expense of the CIVMARS. One CIVMAR mentioned that while the shoreside personnel had access to a brand new golf course, the ships couldn't even get magazine subscriptions. This of observation illustrates the CIVMARS' perceptions of the shoreside being the favored branch of MSC. This "Us vs. Them" mentality further supports the distrust issue raised in the section A.5. of this chapter.

Fifteen respondents addressed the disparity of staffing decisions at MSC. Concerned with CIVMAR eligibility for Government Service (GS) shoreside positions [4], as well as shore personnel's assignment to seagoing positions, they made these comments:

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"Put more experienced CIVMARS into shore positions" [3];

"Establish a "Force Port Captain, senior CIVMAR person to advise staff of CIVMAR issues" [5];

"Stop promoting shore staff to at sea positions, let them come in at entry level positions" [2]; and

"Ensure all officer assignments will continue to be screened by knowledgeable codes (Port Capt, Port Chief Engineer...)" [1].

Strong opinions were also expressed on the issue of the relative worth of the shoreside personnel. CIVMARS believe that MSC needs to "cut down on the size of the shore staff monstrosity" [9] and suggested that "shoreside jobs be changed to eliminate layers of middle management" [2].

5. Internal Staffing and Administrative Support

Approximately ten inputs mentioned the "poor customer service" afforded the CIVMARS in taking care of their personnel and administrative needs. One suggestion to alleviate this perception was to "establish a single point of contact customer service desk/department with a toll free phone number for P/HRM problems." Specific areas identified as needing to be improved were:

- travel claim and travel claim settlement assistance;
- payroll problems/disputes resolution;
- identification card renewal;
- training and career guidance;
- and health and life insurance availabilities.

Two comments requested crewing branches be put where the ships are homeported. Related to this was the request of two other CIVMARS that the mariner be allowed to stay at home longer instead of reporting early to the Marine Employment Branch.

CIVMARS also wanted to know where and how physicals would be handled after the reinvention [2]. And finally another two suggested that physicals and other ship support services (such as husbanding) be contracted out. This leads to the implication that CIVMARS are not happy with the level of support provided to them.

6. Compensation

The next area addressed was compensation, both direct (salary and wages) and indirect (leave). Two respondents questioned how the differences between PAC and LANT wages would be resolved. Eight others asked if CIVMARS could be considered eligible for arduous duty incentives due to the nature of their work life. The differences in sea going and reporting-time accounting that exists between the two pools was also identified as needing to be addressed and resolved. The data revealed a desire from both pools for more flexibility in leave accrual policies and improvements in leave schedules. [5] These requests imply the CIVMARS are not totally happy with the current compensation policies and procedures and would like to see some areas improved during the reinvention process.

D. SUMMARY

The results discussed in the previous sections can be summarized into two main themes. Poor or ineffective communications make up the first theme; feelings of not being valued, the latter. These themes permeate both the reinvention effort as a whole and the planned mergers of LANT and PAC afloat personnel management and possibly their mariner pools.

1. Poor Communication

Findings in the area of communication can be divided into two sub-areas, adequacy of the amount and type of information and the effectiveness of the communication process. There is ample evidence throughout this chapter that neither of these areas have met CIVMARS' needs. Consistently throughout the data, CIVMARS requested more information on the reinvention process. Specifically they desired information on:

- Direct effects of reinvention on CIVMARS' work life;

- The "official" word vice rumors;

- Details concerning the reinvention implementation process;

- What analysis, review, test or evaluation was done to determine whether the change was needed and to design the plan?

- What were the specific reasons for changes? (Exactly what processes and how were these going to be improved by the reinvention?)

- Requests for proof on the validity of the strategies (Both the PM structure and the APMC)

- What bench marking and measurement techniques were being put in place to ensure the changes were effective?

The second area of CIVMAR concern in the communication arena was that of faulty information dissemination and feedback mechanisms. The CIVMARS did not receive needed information in some cases, were unable to provide feedback in others, and did not receive acknowledgments or responses to submissions in still others. Successful communication consists of being able to send a message and have it received with some assurance of accuracy. It appears this was not the case for communications sent to or from the CIVMARS.

Similar comments were made concerning inadequate types and amounts of information on the consolidation of the APM and the merging of the two CIVMAR pools. Many inputs requested more information - Why consolidate? Where will it be located? What administrative policies will prevail? How consolidation conflicts will be handled? Others revealed strong personal desires to remain designated a LANT or PAC mariner.

2. Not Feeling Valued as a Member of MSC

The results enumerated in the preceding sections can be interpreted that CIVMARS felt they were not valued by MSC. There were specific comments against the leadership of MSC, its shore-based staff, and even their own unions. These feelings could have been generated by the following:

- Beliefs of exclusion from the reinvention process (and from the mainstream of the organization in general);

- A competitive "Us - Them" mind set/attitude resulting in feelings of distrust and fear for job security;

- Opinions that MSC did not want, use, or acknowledge their inputs.

Although these themes may have a historical basis, the data reported ongoing instances reinforcing these perceptions.

The data also exposed extremely strong resistance towards the merging of the two civilian mariner pools. All but one CIVMAR preferred the existing dual pool concept to a single pool and expressed their desire to stay in their current pool. Stated reasons were the deployment schedules, desired geographic areas of responsibility (AOR), union negotiated issues, and family considerations. A fear of loss of identity

and lack of familiarity with assigned areas was also revealed. These can be interpreted as a cultural association with either the LANT or PAC AOR.

Finally, miscellaneous suggestions and requests for change and/or improvement in personnel support express the CIVMARS' dissatisfaction with the current status quo and may perpetuate the feelings of not being valued by MSC. Interpretations of these findings in terms of management theories described in Chapter III are presented in the next chapter.

VI. ANALYSIS

This section will analyze the findings discussed in Chapter V against the change, merger, and human resource management theories discussed in Chapter III. The analysis will then be examined for implications for MSC as it continues the reinvention process.

A. CHANGE THEORY

The literature on change theory identified three change roles; change strategists, implementors, and recipients (Kanter, Stein, and Jick, 1992). It stated that change recipients[1] are the largest group of people that have to adopt, adapt to and accept changes. It also emphasized the importance of these people "buying into" the change because they have the potential power to make, break or shape the change by their responses and reactions to it. (Kanter, et al, 1992) MSC's own reinvention literature stresses the importance of taking care of their people. Yet the two main findings of this thesis are:

1. CIVMARS perceive the amount and types of communication and communication processes to be inadequate,

and

2. CIVMARS feel undervalued and excluded from MSC in general and the reinvention effort in particular.

This leads to the conclusion that MSC has not yet secured the commitment of the largest group of change recipients. It is a recognized fact that change strategists and implementors often underplay the importance of understanding of how the recipients

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[1] It is important to note here, CIVMARS are not MSC's only change recipients, but are the sole focus of this thesis.

perceive and experience change, and how they can best act to minimize negative perceptions (Hammer and Stanton, 1995). This appears to have happened in MSC's case. To provide a clear picture of the implications to MSC's reinvention, it is important to examine how these two themes play out across the ten commandments for successful change.

1. The Ten Commandments for Successful Change

a. Analyze the Organization and its Need for Change

The first commandment tells management to *analyze the organization and its need for change* (Kanter et al, 1992). This entails examining at the organization's willingness to change and being clear on what needs to be changed, why it needs to be changed, how it should be changed, who wants it to be changed, and the immediate and ripple effect of the desired change. By virtue of the existence of a reinvention plan, one might assume that MSC leadership accomplished these actions. However, there is no evidence in the data showing that, if such information was available, it was communicated to CIVMARS. The data does reveal that although there was a lack of clarity among CIVMARS on the details driving change, their inputs strongly supported the need for change. Their recognition of the need for change indicates that MSC has successfully accomplished at least part of this commandment.

b. Creation of a Shared Vision and Common Direction

Although MSC leadership may have achieved the *creation of a shared vision and common direction* among the change strategists and some implementors, this was not the case among the CIVMARS, the largest group of change recipients.

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The CIVMARS' lack of concurrence with the proposed change strategy is expected; rarely will there be total agreement with planned strategies and changes. However, the creation of a shared vision and common direction is a very important area as it provides the basis of momentum for the change. Theory stresses the importance of successful communication with all stakeholders in the organization for creating that vision and direction. Ensuring that all stakeholders understand why the change is required, what will be changed, how it will be implemented and achieved, and what the personnel and organizational effects of the change is critical to gaining commitment to the change. Subsequent change actions require this be accomplished before moving on (Kanter, et al., 1992). While, MSC did develop a clear picture of the desired state of the organization, it appears the CIVMARS did not have the quantity nor quality of information necessary to buy completely into the vision, particularly the Program Management structure and consolidation of the APMs and the mariner pools.

Further complicating the creation of this shared vision may have been resistance due to the lack of information on the reinvention process, the normal hesitancy and apprehension when faced with changing the "comfortable" way of doing things, and the "us - them" feelings described in the findings. The CIVMARS' distrust of the land-based organization, as well as their feeling of not being valued may have also impacted their ability to commit to the change effort.

c. *Separate from the Past*

In order to *separate from the past*, there must be an understanding of the future. This commandment states that it is difficult for an organization to embrace

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a new vision of the future until it has identified the structures and processes that no longer work and has committed itself to move beyond them. The organization must be ready, willing, and able to make the break from the past if a change is to be successful.(Kanter et al, 1992)

As discussed in commandment two, the CIVMARS did recognize the need for change, but did not have a clear depiction of exactly what areas needed improvement. They viewed the reinvention as a structural vice process change. The findings emphasized the CIVMARS' desire for detailed information on exactly what the reinvention efforts were directly improving and how these improvements were to happen. CIVMARS questioned whether benchmarking or performance measurement techniques were used to assist in designing the reinvention plan. Doubtful that the PM structure was the most appropriate alternative for addressing the current organization's shortfalls, the CIVMARS called for evidence of analyses supporting its reliability/validity.

Consequently, it appears the third commandment has not been fully met. CIVMARS were not fully committed to the reinvention plan and as such were not totally ready to separate from the past. Change theory describes three levels of response to change efforts. The first is that of full commitment. This is the optimal condition. The second is compliance, which is feasible for change implementation, but not desired response. The least desired level is resistance to change.(Hammer and Stanton, 1995). MSC did not have the full commitment of its CIVMARS and this prevented a clean break from the past. MSC may desire to make additional efforts,

such as disseminating the justification and supporting information for the changes it is making, to gain the CIVMARS' full commitment to change.

d.   *Create a Sense of Urgency*

Along with the readiness and willingness to change, a *sense of urgency* must be created to ensure the momentum and continuity of the change efforts (Kanter, et al, 1992). The data did indicate that the CIVMARS perceived the need for change was overdue, but did not provide any direct evidence on a sense of urgency rallying the CIVMARS behind the change. In a sense, the poor communications, lack of information and not involving the CIVMARS in the process, may have slowed their support of the change efforts.

e.   *Support a Strong Leadership Role*

This commandment calls for *supporting a strong leadership role*. The literature states the importance of leaders guiding, driving, and inspiring personnel to commit to the reinvention process. (Kanter, 1992) By virtue of MSC being a military organization, the Commander assumes the primary leadership role and has the ability to compel compliance. Admiral Quast has made three videos and several field to promote MSC's reinvention. Overall, however, MSC's leaderships' efforts to inspire CIVMARS to embrace the reinvention appear to have been somewhat thwarted by the less than effective communication process and a history of CIVMARS feeling undervalued and ignored. The purported lack of trust in the hierarchy also makes leadership's role more difficult.

f.   Garner Political Sponsorship

The sixth commandment urges leaders to garner *"political sponsorship"* for the change effort. It states that political sponsorship must be lined up to support the effort, but recognizes that leadership alone cannot bring about large-scale change. Success depends on the combined efforts of a broad base of support within the organization; all who stand to gain or lose from the change must be included in this base. There must be pro-active proponents for the change at all levels of the organization for the change to succeed. (Kanter, et al, 1992)

To a degree, MSC appears to have met this commandment. The data reveals a willingness and desire of the CIVMARS to submit inputs and attempt to participate in the reinvention process. However, CIVMARS' feeling of exclusion and their fears of coming out on the wrong end of the reinvention efforts may ultimately result in this largest group withholding their political sponsorship.

g.   Craft an Implementation Plan

The literature states, *crafting an implementation plan* (Kanter, et al, 1992) is important as it provides a detailed source for all change actions, decisions, reasons for change and implications of the change. Although MSC did release a draft of the reinvention plan, this document was not designed to be fully self-explanatory. As a result CIVMARS criticized the lack of information on a wide range of reinvention areas including:

- What the specific action items were;

- Why these target areas were selected;

- What quantitative studies or analyses were done to determine optimal strategies;

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- What bench marking or performance measures will be used to evaluate the changes;

- Who are the points of contacts;

- When and where will meetings be held;

- What is the time line and deadlines for direct action items, how will they be achieved...

Defining, documenting, and detailing all aspects of the reinvention process, if done, appears not to have been made available to the CIVMARS.

h.   Create Enabling Structures

Change theory advocates the creation of *enabling structures* to facilitate an organization's ability to change. It stresses the building of a learning environment through training, team participation, and transfer of knowledge across all functions and units (Troy, 1994). MSC used some focus groups to disseminate reinvention information and gain feedback. These were marginally effective due to the facilitators not having all the necessary information and the fact that the sessions were not held on a regular or consistent basis and were available only to a limited number of CIVMARS. (This was due in part to its operational commitments and schedule). If other methods, such as training or pilot testing were used, the data did not mention them. As consolidation fo afloat personnel management proceeds, these types of enablsers will be even more important. Thus, the underlying goals of this commandment, facilitating the active promotion of information, knowledge, and awareness of the reinvention process, were not supported by the findings and lead to the researcher to believe that MSC could benefit from creating more enabling structures.

i.   *Communicate, Involve People, and Be Honest*

The data is overwhelming in its support of the fact that MSC could have better fulfilled commandment nine, *communicate, involve people and be honest.* Commandment nine states that communication must begin even before the change is formally decided upon.(Kanter, et al, 1992) As the literature notes, full involvement, communication and disclosure can go a long way toward overcoming resistance and building commitment and good will for the change (Hammer and Stanton, 1995). According to the data, CIVMARS felt they have not been effectively and honestly communicated to or involved. The data showed that CIVMARS were dissatisfied with both the communication process and the amounts and types of information they were receiving. Consistently throughout the data, the CIVMARS requested more information (quality and quantity) on the reinvention process. They repeatedly commented on faulty information dissemination and feedback mechanisms. The CIVMARS did not receive the information in some cases, were unable to respond in others, and did not receive acknowledgments or responses to their submissions in still others. This is contrary to tenets of commandment nine which emphasizes the importance of constant communication by gathering, processing and redistributing information to all levels of the organization. (Anfuso, 1994) It appears that although MSC put mechanisms in place to gather feedback from personnel including CIVMARS, the data was not processed in a timely manner, and strategies were not revised to address these concerns, nor was feedback on inputs communicated. Less than effective communications may have contributed to CIVMARS' feelings of exclusion, undervaluation and mistrust identified in Chapter V, and could ultimately

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lead to lessened commitment to the reinvention process. The fact that the findings oppose what the theory espouses as an important practice is not a positive sign for a smooth transition.

j.   *Reinforce and Institutionalize the Change*

This commandment of *reinforcing and institutionalizing the change* is not covered in this thesis as the data studied was collected prior to the implementation phase.

B.   MERGER THEORY

Many of the tenets of change theory also apply to mergers, so the issues discussed in section A, particularly communication, will be mentioned here, but not in the detail of the above section. The two main findings of this thesis: inadequate communications and CIVMARS' feelings of being undervalued and ignored weave throughout the merger aspects of MSC's reinvention to almost the same degree as in the general reinvention process.

Like change theory, merger literature recommends that plans be made common knowledge to all stakeholders, that a time line and enabling structures to keep personnel informed be created and maintained, and leaders promote the involvement of the stakeholders in all aspects of the change (Troy, 1994).

Two areas of the reinvention effort can be directly related to merger theory. The first is the physical and functional consolidation of LANT and PAC mariner management departments into the Afloat Personnel Management Center (APMC). The second is the possibility of combining the two detailing pools of mariners into a

single pool. Each has its own issues relative to the literature and will be discussed separately.

1.   Consolidation of the APMC

Much of the merger theory reviewed by the researcher detailed the internal considerations and actions for accomplishing a successful merger. The actual establishment, management and administration of the APMC was not the focus of the CIVMARS' comments. Rather their concerns expressed a desire for more information on how the differences between LANT and PAC operational and management styles will be resolved and the level of customer service a centralized APMC will be able to provide them.

Merger literature also focuses on the difficulty of resolving the issues of combining two unique entities into one and achieving the organization's goals (Anfuso, 1994). This is exactly the dilemma MSC is facing with merging the management and administration functions of its diverse area commands. Theory stresses the necessity and importance of conducting careful studies, comparisons, analysis, and evaluations of the differences between the two merging organizations before final decisions are made. Data should be gatehred regarding compensation, leave, detailing, reporting procedures.... The focus must be on the achieving the unit's goals by integrating the people, process, and product in the most effective manner (Schoonover, 1988).

Key to this is communicating with and involving people. The literature recommends personnel of both organizations work together to achieve a "meeting of minds". While this process is occurring, it is paramount that all stakeholders be kept

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informed(Schoonover, 1988). The amount of questions and opinions submitted by CIVMARS on the physical location and functional scheme of the APMC and their comments on the lack of quantity and quality information reaffirm the importance of this. It emphasizes to MSC the need to keep its CIVMARS informed and actively involved in the establishment of a single integrated personnel management center.

2. The Detailing Pool Issue

As is the case in change theory, the first thing people want to know in a merger is, "What's in it for me?" or "How does it affect me?" Merger theory states the importance of management being sensitive to the people aspect of the merger at all times (Glaser, 1994).

The CIVMARS had considerable concerns related to the merging of the two detailing pools. Individual CIVMARS have very strong feelings of identity and belonging to their respective pool. These feelings are based both on practical and personal reasons. The practical reasons center around personal preferences for the types and lengths of deployments of each AOR (PAC is forward deployed, while LANT has shorter deployments), operational requirements, compensation policies and other work environment issues. The personal aspects stem from family commitments, social relationships in areas attached to, and loyalty to their "fleet". These appear to be very strong barriers to overcome. Resistance to change or even the loss of experienced and valued employees may occur if CIVMARS are forced into accepting the single pool concept. The fact that there were such strong comments against the merging of the two pools suggest the need for MSC to specifically assess the likelihood of such losses.

The importance of doing a detailed analysis of the merging organizations is one of the key themes in merger theory. It involves comparing and contrasting the different cultures, management styles, worker attitudes, and operational procedures. This information should then be carefully evaluated and differences resolved in the most effective way. (Anfuso, 1994) Given the data, MSC may want to pay particular attention to the conduct of the analysis on merging the detailing pools. This would not only ensure a smooth transition, but also show the CIVMARS that leadership fully understands the importance of the designated pools to the CIVMARS.

Merger literature also stresses the importance of keeping personnel constantly informed of what decisions are made and why. It concludes that the inclusion of people and good communication channels are critical to any change effort, reorganization, merger, or consolidation (Troy, 1994). As noted in the section on organizational change, the area of communications was overwhelmingly identified by the CIVMARS as needing improvement. This applies to the mergers of the APMC and the detailing pools as well as the reinvention process overall.

C.   PERSONNEL/HUMAN RESOURCE MANAGEMENT

Personnel/human resource management theory focuses on the management of personnel for achieving the organization's goals. It stresses the importance of meeting personnel's needs and expectations in the most effective way.(Henemen, et al, 1989) The literature stresses the importance of providing the organization's internal customer with the same quality of service as its external customers. This is important to make the employee feel like an valued and important member of the organization (Schoonover, 1988).

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As outlined in Chapter V, the findings reveal the CIVMARS feel under-valued and ignored. Although much of this perception may be attributed to inadequate communications and not including CIVMARS in the reinvention process, some of it is due to feelings of receiving poor customer service from the Afloat Personnel Management departments, shore based personnel and even their own unions.

P/HRM theory emphasizes the importance of aligning P/HRM functions with the change efforts to ensure the people aspects are addressed. It stresses that feelings of belonging and commitment are necessary for people to realize their full productivity potential (Henemen, et al, 1989). In order to get people to feel this way, the organization must support their needs. The data revealed requests for clarification, complaints and suggestions for improvements on personnel policies and procedures. It intimates that MSC has not been fully meeting the CIVMARS' needs in the areas of personnel support, in particular providing an easily accessible point of contact for providing assistance in a convenient and timely manner. The literature suggests that by acting on people's inputs, trust and commitment are built, and both the organization and employee gain. It appears that once again communication, involvement and valuation are areas for MSC leadership to pay additional attention to.

VII. CONCLUSIONS

The main thrust of this thesis was to examine the perceptions of MSC's civilian mariners regarding reinvention. Its focus was solely on the direct impact of the reinvention process on the CIVMAR. It examined qualitative data provided by individual civilian mariners and non-CIVMAR personnel with respect to MSC's reinvention effort. The inputs were provided via "cc mail" in response to the Commander, MSC's request via an April 1994, "All Organizational Call" and through MSC's "Reinvention Mailbox."

A.   RESEARCH QUESTIONS

The primary research question was:

What are the main concerns of the CIVMARS with respect to reinvention of MSC?

Subsidiary questions were:

1.   How does the CIVMAR perceive the concept and need for reinventing MSC?

2.   How is the plan by which the process of reinvention will be implemented perceived by the CIVMAR?

3.   What specific outcomes in the areas of personnel management and administration does the CIVMAR desire?

1.   The Primary Concerns of the CIVMARS

The primary concerns to the CIVMARS were:

1.   the inadequate amount and types of communication and communication processes (feedback and dissemination),

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and

    2.   feelings of being undervalued and excluded from MSC in general and the reinvention effort in particular.

2.   The Concept and Need for Reinvention

The majority of CIVMARS concurred with the need for reinvention. However, there was considerable disagreement with the proposed Program Management (PM) concept as well as the establishment of an APMC and the consolidation of the two detailing pools. Some supported these decisions wholeheartedly, some partially, and some were directly opposed to them.

Many comments felt a PM structure was inappropriate for MSC's diverse missions. The centralized APMC concerns centered around how its location and the diverse policy issues would be reconciled in order to provide the mariners with quality personnel support. The detailing pool merger was the most vehemently opposed matter. The mariners did not want a single pool due to operational preferences and social and personal attachments to their current deployment areas.

3.   The Reinvention Process

The reinvention process was problematic for the CIVMARS due to their perceptions of being excluded from it and poorly represented. This was further reinforced by lack of information and poor two way communication. Not having the benefit of good understanding of the reinvention led to some suspicion of it.

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4. Specific Actions Desired from the Reinvention

The primary outcome the CIVMARS want from the Reinvention is to be involved and have their inputs acted upon. They have submitted many suggestions and recommendations. They would like to see these acted upon, however, have received little feedback on these suggestions. They would like to feel valued as members of MSC.

B. SUMMARY

As revealed and discussed in Chapters V and VI, there was a continual theme of the CIVMARS feeling like outsiders and not the valued members of MSC that they are. These feelings, at least partially, were due to their not being included or adequately represented in the reinvention process, and were further exacerbated by inadequate communication. If they did get the information; it was not enough information, if they provided feedback, their responses were not answered. They believed they alone represent their best interests and distrust the command's hierarchy and even their own unions.

C. RECOMMENDATIONS

The analysis of the literature in conjunction with the findings leads to the conclusion that MSC should:

- renew its efforts to improve communication with its CIVMARS,
- involve them on an equitable basis, and
- take actions to build trust between the CIVMARS and the rest of the organization.

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In order to improve the dissemination and availability of information, MSC could establish a collateral duty "Reinvention Guru" for each unit to act as the point of contact for all reinvention information. They could also promulgate a weekly or bi-weekly "Reinvention Bulletin." Setting up a toll free hotline is another idea. However, whatever is decided, MSC should make every effort to ensure its CIVMARS are getting the information they need.

As for reducing the perceptions of not being valued, MSC may want to increase their efforts to respond to and act on the CIVMARS suggestions and recommendations. The organization can also make concerted efforts to ensure CIVMARS are fully represented in the reinvention process. Lastly, MSC's CIVMAR support personnel should ensure CIVMARS are treated with same level of service as MSC's external customers.

D. SUGGESTIONS FOR FURTHER RESEARCH

The following is a list of suggestions for further research on the "Reinvention of MSC":

- A structured survey of CIVMAR personnel following up on the findings of this thesis;

- A similar study of another affected group in MSC's reinvention process to see if these findings are organization-wide or just CIVMAR related;

- A case study on MSC's Reinvention Process.

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